

HOUSE BILL No. 1553

DIGEST OF INTRODUCED BILL

Citations Affected: IC 3-9-8; IC 6-3-9.

Synopsis: Contributions to political parties. Establishes the political party enhancement fund (fund) to enhance the vitality of Indiana political parties. Establishes a voluntary program under which individuals may designate up to \$50 on their Indiana income tax returns to a particular political party to be paid from the fund. Requires the election division to accept direct contributions to the fund from any person authorized to make political contributions to a political party under Indiana law. Requires the election division to administer the fund. Requires a political party that wants to participate in the fund to register with the election division. Permits a contributor or a taxpayer also to authorize the political party to which a contribution has been made to contact the contributor or taxpayer through information provided by the contributor or the taxpayer. Prohibits contact information about the contributor or taxpayer to be provided unless the contact has been authorized by the contributor or taxpayer. Annually appropriates to the fund from the state general fund an amount equal to 20% of the contributions made to the fund by taxpayers in addition to the contributions made to the fund by taxpayers. Appropriates money in the fund for distribution to the political parties.

Effective: July 1, 2009.

DeLaney

January 16, 2009, read first time and referred to Committee on Elections and Apportionment.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1553

A BILL FOR AN ACT to amend the Indiana Code concerning elections and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 3-9-8 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 8. Political Party Enhancement Fund

Sec. 1. The political party enhancement fund is established to enhance the vitality of Indiana political parties.

Sec. 2. The fund consists of the following:

(1) Voluntary contributions made to the fund under this chapter.

(2) Money from the state general fund transferred under IC 6-3-9-8.

(3) Interest required to be deposited in the fund under section 5 of this chapter.

Sec. 3. The fund shall be administered by the election division.

Sec. 4. The expenses of administering the fund shall be paid from money in the fund. Administrative expenses may not exceed the amount of interest deposited into the fund under section 5 of

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1 this chapter.

2 **Sec. 5.** The treasurer of state shall invest the money in the fund
3 not currently needed to meet the obligations of the fund in the same
4 manner as other public money may be invested. Interest that
5 accrues from these investments shall be deposited in the fund.

6 **Sec. 6.** Money in the fund at the end of a state fiscal year does
7 not revert to the state general fund.

8 **Sec. 7.** The money in the fund is annually appropriated for the
9 purposes of this chapter.

10 **Sec. 8. (a)** A political party that wants to participate in the fund
11 must register with the election division not later than September 1
12 of the year before the year that the party wants to receive
13 contributions through the fund.

14 (b) The election division shall prescribe the form for a political
15 party to register under this section.

16 (c) The election division shall terminate the registration of a
17 political party if the political party's account has had a zero (0)
18 balance for two (2) consecutive state fiscal years.

19 **Sec. 9. (a)** The auditor of state shall establish an account in the
20 fund for each political party that registers under this chapter.

21 (b) The money that has been contributed to a political party
22 under this chapter or IC 6-3-9 shall be deposited in that political
23 party's account.

24 **Sec. 10.** Not later than August 1 of each year, the election
25 division shall do the following:

26 (1) Pay to the political party the amount of money that is in
27 the political party's account in the fund as of July 1 of that
28 year.

29 (2) Provide to the political party the contact information that
30 a:

31 (A) contributor has authorized to be provided under this
32 chapter; or

33 (B) taxpayer has authorized to be provided under
34 IC 6-3-9-4.

35 **Sec. 11. (a)** The election division shall accept direct
36 contributions to an account in the fund from persons permitted to
37 make political contributions under this article.

38 (b) A person who makes a contribution to the fund may also
39 authorize the political party to which the contribution is directed
40 to contact the contributor at the contributor's residence or
41 electronic mail address. The election division must provide the
42 means for a contributor to make this authorization. The election

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1 division may not disclose contact information about a contributor
2 who does not authorize contact.

3 Sec. 12. The election division shall provide the following
4 information on the web site maintained by the election division:

5 (1) The purpose of the fund.

6 (2) Instructions on making a contribution to the fund.

7 (3) Other information about the fund the election division
8 considers useful.

9 SECTION 2. IC 6-3-9 IS ADDED TO THE INDIANA CODE AS
10 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
11 1, 2009]:

12 Chapter 9. Donations to the Public Election Campaign Fund by
13 Taxpayers

14 Sec. 1. This chapter applies to the designation of contributions
15 to the fund by:

16 (1) an individual; or

17 (2) a husband and wife;

18 with respect to income tax returns for taxable years that begin
19 after December 31, 2008, and income tax returns filed after
20 December 31, 2009.

21 Sec. 2. As used in this chapter, "fund" refers to the political
22 party enhancement fund established by IC 3-9-8-1.

23 Sec. 3. (a) Instructions for the preparation of individual and
24 joint tax forms must explain the purpose of the fund.

25 (b) The instructions must indicate the names of the political
26 parties that have registered under IC 3-9-8 to participate in the
27 fund.

28 Sec. 4. (a) A resident individual who files a state adjusted gross
29 income tax return for a particular taxable year may direct a
30 contribution of not more than fifty dollars (\$50) to the fund on the
31 individual's income tax form.

32 (b) A husband and wife may:

33 (1) jointly direct a single contribution of fifty dollars (\$50) to
34 the fund; or

35 (2) direct a contribution of fifty dollars (\$50) each to the fund;
36 on the husband and wife's joint tax form.

37 (c) A taxpayer who makes a contribution to the fund may also
38 authorize the political party to which the contribution is directed
39 to contact the taxpayer at the taxpayer's residence or electronic
40 mail address. The individual income tax forms must provide the
41 means for a taxpayer to make this authorization.

42 (d) Not later than June 30 of each year, the department shall

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transmit to the election division the name and contact information for each taxpayer who has authorized the political party to which the taxpayer has made a contribution to contact the taxpayer. The department may not disclose contact information about a taxpayer who does not authorize contact.

Sec. 5. An Indiana resident may direct a contribution even if the individual is not entitled to a refund.

Sec. 6. Not later than July 1 of each year, the department shall report to the auditor of state the total amount of contributions that have been directed under this chapter.

Sec. 7. There is appropriated from the state general fund to the fund on July 1 of each year twenty percent (20%) of the amount reported by the department under section 6 of this chapter.

Sec. 8. (a) The auditor of state shall transfer the amount:

(1) reported by the department under section 6 of this chapter; plus

(2) appropriated under section 7 of this chapter; from the state general fund to the appropriate account in the fund.

(b) The amount appropriated to the fund under section 7 of this chapter shall be apportioned to the accounts in the fund in the same proportion as the contributions made under:

(1) section 6 of this chapter; and

(2) IC 3-9-8;

are directed by contributors to the fund.

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